



# HOUSE COMMITTEE ON APPROPRIATIONS

FY 10-11 Executive Budget Review  
March 9, 2010

Department of Transportation and Development  
&  
Parish Transportation



## The Department of Transportation and Development is comprised of the following:

- Administration
  - Office of the Secretary
  - Office of Management and Finance
- Public Works and Intermodal Transportation
  - Water Resources and Intermodal
  - Aviation
  - Public Transportation
- Engineering and Operations
  - Engineering
  - Planning and Programming
  - District Operations
  - Crescent City Connection Division – Bridge
  - Crescent City Connection Division – Marine



# Executive Budget Recommendation

- The FY 10-11 Executive Budget Recommendation reduces the total existing operating budget by \$32.2 million or 5.7%.
- The funding reduction is largely due to non-recurring adjustments and carryforwards.
- There are some Commission on Streamlining Government recommendations being implemented.
- There are no federal stimulus funds from the American Recovery and Reinvestment Act of 2009 (ARRA) used in the FY 10-11 Executive Budget Recommendation to supplant funding for ongoing operations in the department.



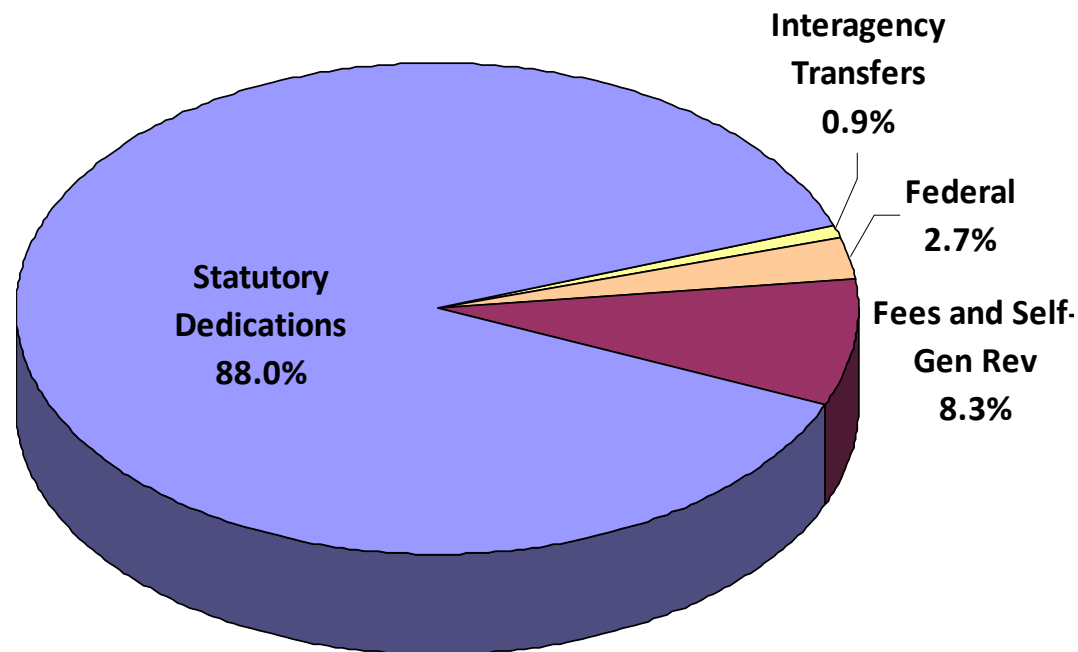
# Executive Budget Recommendation

<b>Department of Transportation and Development</b> <b>FY 10-11 Executive Budget Recommendation by Means of Financing</b>					
Means of Finance	FY 08-09 Actual Expenditures	FY 09-10 Existing Operating Budget (12/1/09)	FY 10-11 Executive Budget Recommended	Change from FY09-10 to FY10-11	Percent Change from FY09-10 to FY10-11
State General Fund	\$0	\$1,749,765	\$0	(\$1,749,765)	-100.0%
Interagency Transfers	\$6,372,273	\$12,932,423	\$4,982,545	(\$7,949,878)	-61.5%
Fees and Self-Gen Rev	\$40,692,178	\$44,526,691	\$44,660,380	\$133,689	0.3%
Statutory Dedications	\$445,758,612	\$485,671,059	\$471,921,879	(\$13,749,180)	-2.8%
Federal Funds	\$13,190,811	\$23,419,409	\$14,546,198	(\$8,873,211)	-37.9%
<b>TOTAL</b>	<b>\$506,013,874</b>	<b>\$568,299,347</b>	<b>\$536,111,002</b>	<b>(\$32,188,345)</b>	<b>-5.7%</b>
Authorized Positions	4,837	4,704	4,525	(179)	-3.8%



# Executive Budget Recommendation

- FY 10-11 Executive Budget Recommendation by Means of Financing in percent form.





# Executive Budget Recommendation

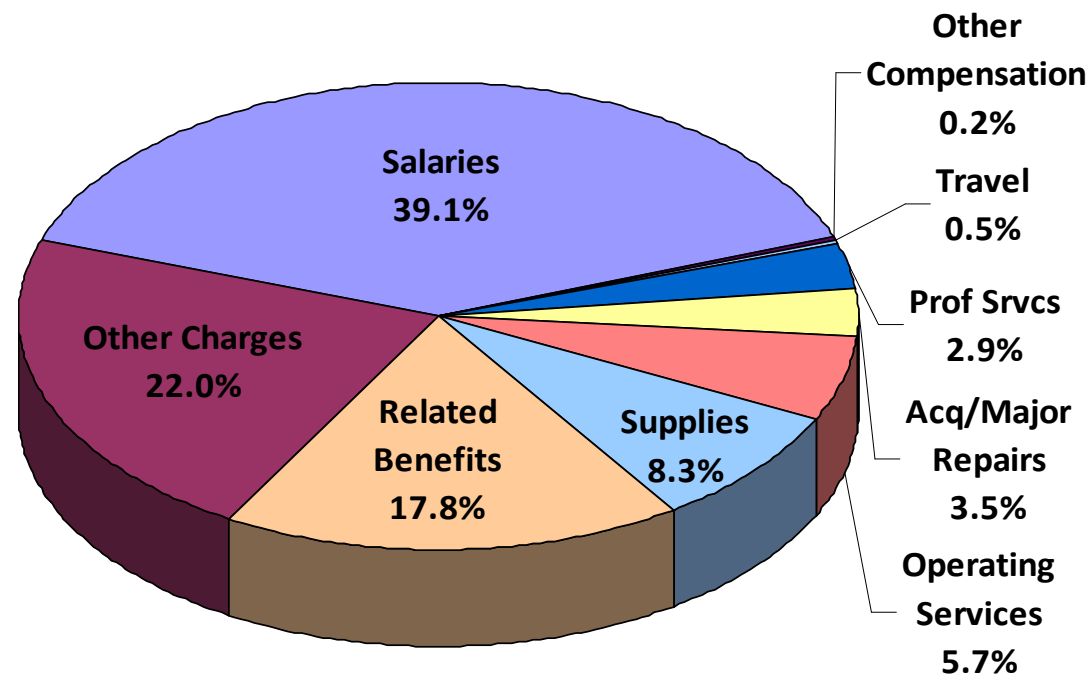
Department of Transportation and Development Expenditure Comparison					
Expenditures	FY 08-09 Actual Expenditures	FY 09-10 Existing Operating Budget (12/1/09)	FY 10-11 Executive Budget Recommendation	Change from FY 09-10 to FY 10-11	Percent Change from FY09-10 to FY10-11
Salaries	\$214,451,060	\$213,649,442	\$209,737,314	(\$3,912,128)	-1.8%
Other Compensation	\$761,081	\$851,257	\$851,257	\$0	0.0%
Related Benefits	\$88,507,106	\$90,873,922	\$95,684,476	\$4,810,554	5.3%
Travel	\$2,488,988	\$2,852,708	\$2,632,497	(\$220,211)	-7.7%
Operating Services	\$30,590,697	\$36,286,173	\$30,648,033	(\$5,638,140)	-15.5%
Supplies	\$44,216,613	\$49,284,743	\$44,442,249	(\$4,842,494)	-9.8%
Prof Srvcs	\$8,160,611	\$22,410,073	\$15,443,467	(\$6,966,606)	-31.1%
Other Charges	\$93,359,683	\$129,251,028	\$118,014,437	(\$11,236,591)	-8.7%
Acq/Major Repairs	\$23,478,035	\$20,137,821	\$18,657,272	(\$1,480,549)	-7.4%
Unallotted	\$0	\$2,702,180	\$0	(\$2,702,180)	-100.0%
<b>TOTAL EXP</b>	<b>\$506,013,874</b>	<b>\$568,299,347</b>	<b>\$536,111,002</b>	<b>(\$32,188,345)</b>	<b>-5.7%</b>





# Executive Budget Recommendation

- FY 10-11 Executive Budget Recommendation by expenditures in percent form.





## Executive Budget Recommendation

- Discretionary vs Non-Discretionary

Expenditures	FY 10-11 Exe Bud Recommendation	Percent
Discretionary	\$509,695,592	95.1%
Non-Discretionary	\$26,415,410	4.9%
Total	\$536,111,002	100.0%

- The non-discretionary funds within the department's budget are related to group insurance for retirees.





## Significant Budget Adjustments

(\$27.6 million)	Non-recur carryforwards (\$5.9 million IAT, \$410,530 SGR, \$18.9 million SD, \$2.4 million FED).
(\$1.7 million) SGF	Non-recur one-time funding for legislative line items.
(\$1.7 million)	Personnel reduction of 36 vacant positions and related funding (\$550,000 SGR, \$1.2 million SD).
(\$292,000) SD	Reduces 3 positions and related funding associated with the elimination of the photography airplane as part of a Streamlining Government recommendation.



## Significant Budget Adjustments

(\$213,039) SD	Eliminates funding for the Melville ferry as part of a Streamlining Government recommendation.
(\$8.2 million)	Non-recur excess budget authority (\$6.5 million FED, \$1.7 million SD).
\$1 million SD	Provides funding for professional services contracts to monitor ARRA stimulus funds in the DOTD/Capital Outlay budget.
\$7.8 million SD	Provides funding related to the Enterprise Resource Project (ERP) for maintenance of the Agile Assets System.



## Significant Budget Adjustments

\$2.5 million SD

Provides additional funding for university contracts through the Louisiana Transportation Research Center.

\$1.5 million SD

Provides additional funding for weight enforcement.

- DOTD will transfer 97 positions and \$6.6 million in Transportation Trust Funds to the Department of Public Safety (DPS) to consolidate both fixed scale and mobile weight enforcement under one department. This is a Commission on Streamlining Government recommendation.
- DPS - Office of State Police decrease SGF by \$1.5 million for mobile weight enforcement since the additional \$1.5 million in Transportation Trust Fund revenues are being provided.



## Significant Budget Adjustments

\$1.8 million SD                      Provides additional funding related to hurricane flood protection and coastal restoration.

MOF Substitution                      Decrease IAT by \$2.1 million and increase SD by \$2.1 million related to hurricane flood protection and coastal restoration.

- DOTD will transfer 43 positions and \$3.9 million in Transportation Trust Funds to the Office of Coastal Protection and Restoration to consolidate hurricane flood protection and coastal restoration activities under the new office. The office was established within the Executive Department by Act 523 of the 2009 Regular Legislative Session.



# Salaries and Positions

- \$210.6 million in Salaries and Other Compensation
- \$95.7 million in Related Benefits
- Total Personal Services account for \$306.3 million or 57.1% of the Executive Budget Recommendation
- 4,525 Total Positions (4,501 classified and 24 unclassified)
- Average salary for the department  $\approx$  \$45,000
- Currently the department has 72 vacancies



# Statutory Dedications

Department of Transportation and Development Statutory Dedication Comparison					
Statutory Dedications	FY 08-09 Actual Expenditures	FY 09-10 Existing Operating Budget (12/1/09)	FY 10-11 Executive Budget Rec	Change from FY 09-10 to FY 10-11	Percent Change from FY09-10 to FY10-11
Transportation Trust Fund - Regular	\$319,966,034	\$385,778,352	\$368,810,770	(\$16,967,582)	-4.4%
Transportation Trust Fund - Federal	\$121,854,372	\$97,745,474	\$102,528,124	\$4,782,650	4.9%
Transportation Trust Fund - TIMED	\$2,304,445	\$500,000	\$0	(\$500,000)	-100.0%
Right of Way Permit Proceeds	\$472,178	\$582,985	\$582,985	\$0	0.0%
Overcollections Fund	\$1,161,583	\$1,064,248	\$0	(\$1,064,248)	-100.0%
<b>TOTAL</b>	<b>\$445,758,612</b>	<b>\$485,671,059</b>	<b>\$471,921,879</b>	<b>(\$13,749,180)</b>	<b>-2.8%</b>





# Statutory Dedications

- **Transportation Trust Fund – Regular (Article 7, Section 27 of Const.)**
  - Source: State tax, 16 cents per gallon on gasoline and special fuels, vehicle license fees, weights permits and fines, interest earnings, and a portion of motor vehicle sales taxes that are currently suspended.
  - The trust fund is to be used exclusively for highway construction and maintenance, the highway priority program, statewide flood control, ports and airports priority programs, transit, state police traffic control and the Parish Transportation Fund.
  - All unexpended and unencumbered monies in the fund at the end of the fiscal year remain in the fund.
  
- **Transportation Trust Fund - Federal**
  - Source: Federal tax, 18.4 cents per gallon on gasoline and special fuels.



# Statutory Dedications

- **Transportation Trust Fund - TIMED (R.S. 47:820.1 - 820.6)**
  - Source: State tax, 4 cents per gallon levied on gasoline and special fuels.
  - The TIMED fund is to be used exclusively for sixteen specific road and bridge projects.
  - Any surplus monies in the fund at fiscal year end, as well as interest earned on investment of fund monies, are to remain in the fund.
- **DOTD Right of Way Permit Processing Fund (R.S. 48:381)**
  - Source: Fees – Utility operators in connection with the issuance of permits.
  - The funds shall be used by DOTD to defray the expenses of the right-of-way permit office connected with the issuance and processing required for permitted activity within state roads and highways right-of-ways.
  - Excess fees, over and above the expenses of the right-of-way permit office, shall be distributed to federally approved highway projects.
  - All monies existing in this fund at year end shall remain in the fund.



## Other Items

- The FY 09-10 mid-year budget reduction, in accordance with Executive Order BJ 2009-21, is \$132,296 in State General Fund for several legislative line item appropriations. This represents a 7.56% reduction in State General Fund in the existing operating budget.
- In December of 2009, the Revenue Estimating Conference decreased revenues going into the Transportation Trust Fund by \$23.9 million and decreased Transportation Infrastructure Model for Economic Development (TIMED) Program revenues by \$5.3 million.
- The department projects \$35.3 million in TTF-Regular (16 cents per gallon) is needed for TIMED debt service payments in FY 10-11.



## Parish Transportation

- The Parish Transportation agency is comprised of the following programs:
  - Parish Road Program
  - Mass Transit Program
  - Off-system Roads and Bridges Match Program



# Executive Budget Recommendation

Parish Transportation					
FY 10-11 Executive Budget Recommendation by Means of Financing					
Means of Finance	FY 08-09 Actual Expenditures	FY 09-10 Existing Operating Budget (12/1/09)	FY 10-11 Executive Budget Recommended	Change from FY09-10 to FY10-11	Percent Change from FY09-10 to FY10-11
State General Fund	\$0	\$0	\$0	\$0	0.0%
Interagency Transfers	\$0	\$0	\$0	\$0	0.0%
Fees and Self-Gen Rev	\$0	\$0	\$0	\$0	0.0%
Statutory Dedications	\$47,442,500	\$46,407,500	\$46,400,000	(\$7,500)	-0.02%
Federal Funds	\$0	\$0	\$0	\$0	0.0%
<b>TOTAL</b>	<b>\$47,442,500</b>	<b>\$46,407,500</b>	<b>\$46,400,000</b>	<b>(\$7,500)</b>	<b>-0.02%</b>
Authorized Positions	0	0	0	0	0.0%

- Revenue source is the Transportation Trust Fund – Regular.
- There are no federal stimulus funds from the American Recovery and Reinvestment Act of 2009 included in the FY 10-11 Executive Budget Recommendation.
- The only adjustment is to non-recur \$7,500 in supplemental funding for the Mass Transit Program.



# Distribution of Funds

Parish Road Program					
Statutory Dedications	FY 08-09 Actual Expenditures	FY 09-10 Existing Operating Budget (12/1/09)	FY 10-11 Executive Budget Rec	Change from FY 09-10 to FY 10-11	Percent Change from FY09-10 to FY10-11
Transportation Trust Fund - Regular Per-capita Formula	\$34,000,000	\$34,000,000	\$34,000,000	\$0	0.0%
Transportation Trust Fund - Regular Road Mileage Formula	\$5,447,485	\$4,445,000	\$4,445,000	\$0	0.0%
<b>TOTAL</b>	<b>\$39,447,485</b>	<b>\$38,445,000</b>	<b>\$38,445,000</b>	<b>\$0</b>	<b>0.0%</b>

- The Parish Road Program appropriation is distributed to the sixty-four parishes for road systems maintenance. State statute provides the funds be distributed on a population-based, or per-capita, formula. State statute provides that funds in excess of the FY 93-94 appropriation level (\$34,000,000) be distributed to parishes based upon parish road mileage.





# Distribution of Funds

Mass Transit Program					
Statutory Dedications	FY 08-09 Actual Expenditures	FY 09-10 Existing Operating Budget (12/1/09)	FY 10-11 Executive Budget Rec	Change from FY 09-10 to FY 10-11	Percent Change from FY09-10 to FY10-11
Transportation Trust Fund - Regular	\$5,036,454	\$4,962,500	\$4,955,000	(\$7,500)	-0.2%

- The Mass Transit Program appropriation provides funding to the eligible cities or parishes with mass transit systems. Cities and parishes receiving such aid include the following: Alexandria, Baton Rouge, Lafayette, Lake Charles, Monroe, New Orleans, Jefferson Parish, Kenner, St. Bernard Parish, Shreveport, St. Tammany Parish, and Houma. Additionally the state Department of Transportation and Development - Transit Division receives funding from this source to provide local match money for the purchase of transit buses.



# Distribution of Funds

Off-system Roads and Bridges Match Program					
Statutory Dedications	FY 08-09 Actual Expenditures	FY 09-10 Existing Operating Budget (12/1/09)	FY 10-11 Executive Budget Rec	Change from FY 09-10 to FY 10-11	Percent Change from FY09-10 to FY10-11
Transportation Trust Fund - Regular	\$2,816,061	\$3,000,000	\$3,000,000	\$0	0.0%
Overcollections Fund	\$142,500	\$0	\$0	\$0	0.0%
<b>TOTAL</b>	<b>\$2,958,561</b>	<b>\$3,000,000</b>	<b>\$3,000,000</b>	<b>\$0</b>	<b>0.0%</b>

- The Local Match for Off-system Roads and Bridges Match Program appropriation provides funding to local Government entities to serve as match for federal aid to off-system railroad crossings and bridges.



# Statutory Dedications

- **Transportation Trust Fund – Regular (Article 7, Section 27 of the Constitution)**
  - Source: State tax, 16 cents per gallon on gasoline and special fuels, vehicle license fees, weights permits and fines, interest earnings, and a portion of motor vehicle sales taxes that are currently suspended.
  - The trust fund is to be used exclusively for highway construction and maintenance, the highway priority program, statewide flood control, ports and airports priority programs, transit, state police traffic control and the Parish Transportation Fund.
  - All unexpended and unencumbered monies in the fund at the end of the fiscal year remain in the fund.